### **Transportation Benefit District FAQs**

# How are projects picked?

Transportation improvements of the TBD are detailed in the City's six-year Capital Improvement Plan and in the City's transportation element of the Comprehensive Plan.

### How are projects funded?

One revenue option of a TBD is an annual vehicle license fee of up to \$20 which can be imposed by the legislative body of the District (City). <u>Mount Vernon's City Council indicated they were not interested in imposing the vehicle license fee</u>; however, Council showed interest in presenting to the voters the option of imposing a \$0.002 or 0.2% sales and use tax within the city limits.

## What are the boundaries of the Mount Vernon Transportation Benefit District?

The District's boundaries are exactly the same as Mount Vernon's city boundaries.

## Who gets to vote?

Only Mount Vernon residents may vote to increase taxes within the city limits. The City Council is asking residents to approve the \$.002 sales tax on the November 8, 2016 ballot.

With voter approval of the \$.002 sales tax, the City can begin to replace the transportation funding that has been lost over the years, and be better able to preserve, maintain or expand the City's transportation infrastructure into the future.

# Why did the City form a TBD now?

The City needs to dedicate more funding to maintain our current transportation system. The City's current transportation system consists of: 274 lane miles of streets with pavement maintenance and preservation being a primary goal, 31 traffic signals, 12 bridges, 5000 signs, 2500 pavement markings, and 150 miles of sidewalk.

- Overall revenues dedicated to transportation and maintenance are \$787,000 less when comparing the years 2015 to 2007.
- Primary goals should additional funding be secured:
  - Stop the decline of pavements/system
  - Reduce "failed" streets
  - Invest in needed capital transportation projects

Without additional revenues, planned projects such as street maintenance and sidewalk improvements will be delayed.

# How much revenue will a \$.002 sales tax increase generate, annually?

Changing the tax rate in Mount Vernon from 8.5% to 8.7% will generate an estimated \$1,300,000 per year, which would go directly (and exclusively) toward our City's transportation system.

#### What does an increase of \$0.002 look like, and how will it impact me?

On a purchase of \$10, Mount Vernon customers will pay an additional 2 cents.

On a purchase of \$50, Mount Vernon customers will pay an additional 10 cents.

# Why would I support the sales tax ballot measure?

Street preservation and maintenance are a high priority on the list of vital services the City provides to Mount Vernon residents, business owners and visitors.

Street maintenance is also an important part of the City's economic development efforts. The City's streets are often the first impression visitors, potential business owners and customers have when they enter Mount Vernon.

Other economic incentives may not matter if Mount Vernon's streets are not well maintained and inviting. In this case "curb appeal" is not just a figure of speech.

In an effort that's comparable to changing your car's oil now, rather than replacing its engine later, a transportation benefit district would provide funding to ensure Mount Vernon streets, sidewalks and trails do not deteriorate and require a more expensive fix in the future.

#### When was the TBD Formed?

**On May 25, 2016**, after conducting a public hearing, the Mount Vernon City Council formally approved Ordinance 3679 that formed the Mount Vernon Transportation Benefit District.

The ordinance specifies that the boundaries for the TBD be the same as Mount Vernon's City limits. Funds used to operate the District must make transportation improvements that are consistent with existing regional, state, and local transportation plans and necessitated by existing and reasonably foreseeable congestion levels as provided in <a href="Chapter 36.73 RCW(link is external">Chapter 36.73 RCW(link is external)</a>.

**On July 6, 2016,** City Council assumed the rights, powers, functions and obligations of the Mount Vernon Transportation Benefit District, pursuant to Ordinance No. 3682. This was an action made available to TBD's by the 2015 State Legislature. By assuming the rights and powers of the TBD, the City Council can govern as the presiding board over the TBD, making governance much more straight forward.

Several committee meetings and a transportation open house have been held to share and review with Council the current state of the City's transportation system and to address the level of investment that we are putting into our system. Most importantly, we focused on and addressed the level of investment that is needed to maintain our current infrastructure.